



To: Coppell ISD Board of Trustees  
From: Diana Sircar  
Date: September 26, 2022

cc: Brad Hunt, Erica Devould

**Re: Annual Review of Investment Performance**

The district invests the majority of its funds in investment pools. Tax revenue is collected directly into the pools and re-balanced between the pools as needed. A distinct advantage of the investment pools is that investor funds are very liquid. Money can be transferred overnight either into or out of pools. Multiple governmental investment pools are utilized to diversify the investments. Additionally, the District has invested in Certificate of Deposits (CD) through a program offered by Texas Range to gain additional interest income. CD investments are fully collateralized by FDIC Insurance. The attached graphs and data compare the rates paid on the investment pools utilized with the rates for the 13-week and 26-week T-Bill auctions. The interest rates received on the CDs consistently exceeded both the 13-week and 26-week T-Bill rates when purchased.

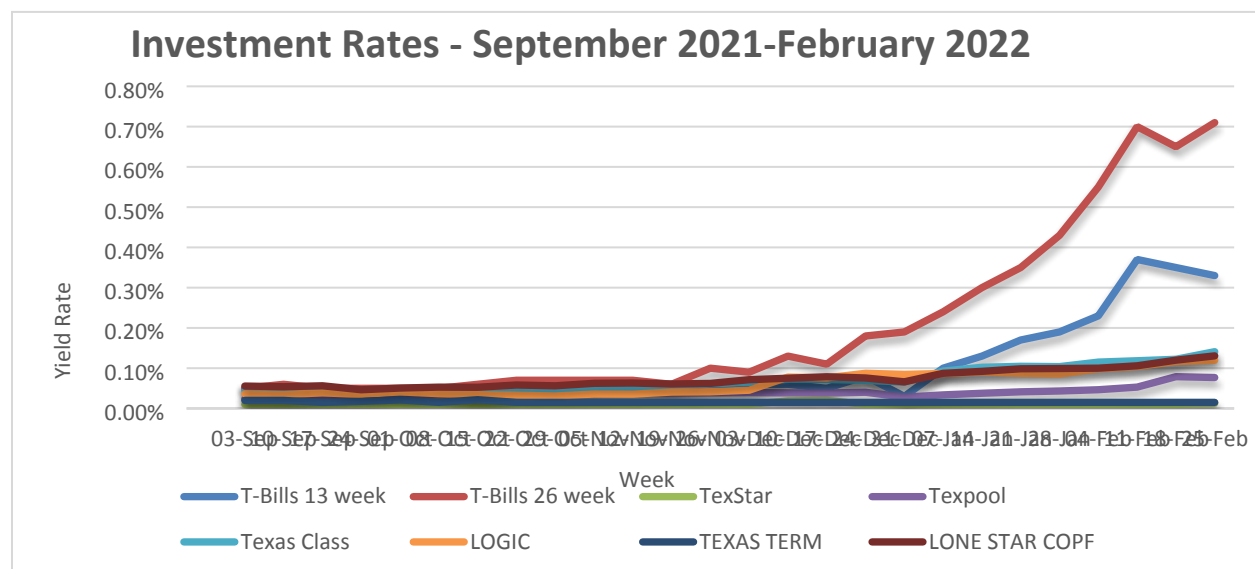
Since the start of the covid pandemic, both pool interest rates and CD interest rates have declined from their September 2019 range of around 2% to September 2021 lows of 0.03%. During the 2021-22 school year, rates climbed from .03% - .06% in September 2021 to 2.87% – 3.25% in August of 2022. The majority of the increase was realized in the June – August timeframe which contributed to increased interest revenue during the summer. Of the approximate \$820k in interest earned in the general operating fund during the school year, 80% of interest was earned in May – August. During the 2021-22 school year the district diverted funds from maturing CDs into Texas Term fixed rate/fixed term investments in order to capitalize on interest rates that were slightly higher than CDs. As interest rates rose during the summer, funds were re-invested in CDs. The district has invested the majority of funds in the three pools that have provided the best rates; Texas Class, Logic and Lone Star. Rates from these pools trended closely with the T-bill rates until January 2022. It is taking time for the pools to catch up to the rates afforded by 26-week T-bills. As of August 31<sup>st</sup>, interest earnings in Operating Fund were \$820,354 compared to \$151,435 in 2020-2021 and \$1,560,132 in 2019-2020, and in Debt Service were \$185,410 compared to \$31,039 in 2020-2021 and \$348,579 in 2019-2020.

Prior to the 86<sup>th</sup> legislative session, the Texas Education Agency required that the district make monthly recapture payments from February through August. Districts are now allowed the option to choose to make one payment for the entire recapture payment in August. The district continues to choose this option with the hope of earning additional interest on the \$40 - \$50 million of invested funds between February and August.

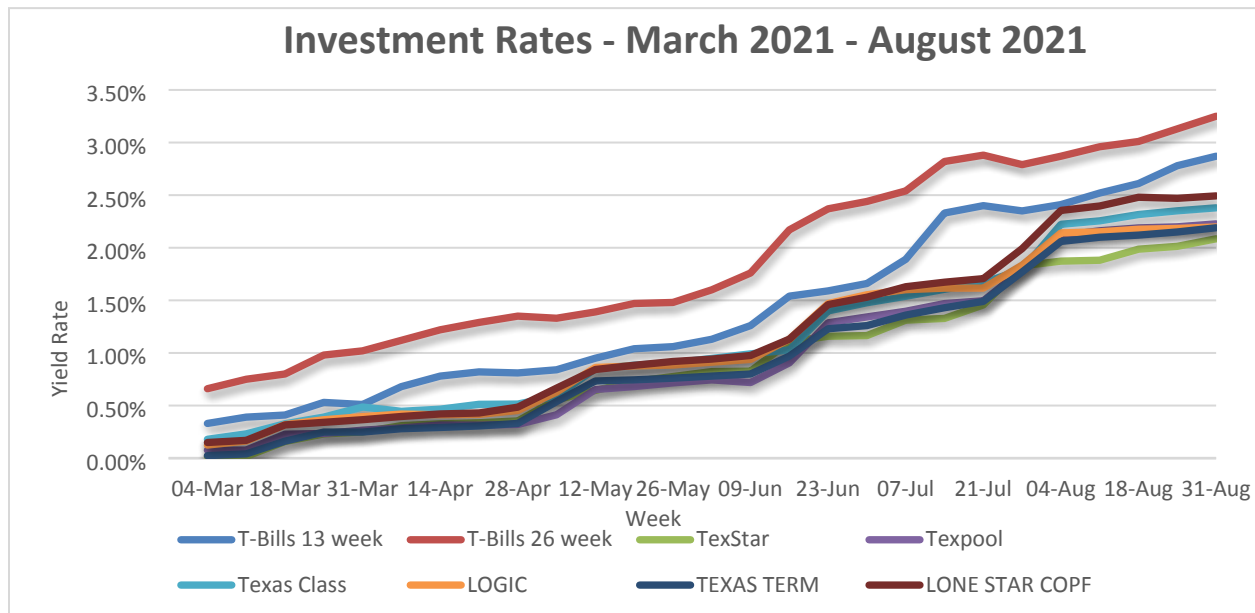
**RECOMMENDATION:** The Coppell ISD Board of Trustees accepts the annual review of the portfolio performance as presented.

## T-bill performance 9/2021 through 8/2022

Date: 2021- 2022	T- Bills 13 week	T- Bills 26 week	TexStar	Texpool	Texas Class	LOGIC	TEXAS TERM	LONE STAR COPF
03-Sep	0.05%	0.05%	0.01%	0.02%	0.04%	0.04%	0.02%	0.06%
10-Sep	0.05%	0.06%	0.01%	0.02%	0.05%	0.03%	0.02%	0.05%
17-Sep	0.04%	0.05%	0.01%	0.03%	0.04%	0.04%	0.02%	0.06%
24-Sep	0.03%	0.05%	0.01%	0.04%	0.04%	0.03%	0.02%	0.05%
01-Oct	0.04%	0.05%	0.01%	0.04%	0.04%	0.04%	0.02%	0.05%
08-Oct	0.05%	0.05%	0.01%	0.04%	0.04%	0.04%	0.02%	0.05%
15-Oct	0.05%	0.06%	0.01%	0.03%	0.05%	0.03%	0.02%	0.05%
22-Oct	0.06%	0.07%	0.01%	0.04%	0.04%	0.03%	0.02%	0.06%
29-Oct	0.05%	0.07%	0.01%	0.04%	0.05%	0.03%	0.02%	0.06%
05-Nov	0.05%	0.07%	0.01%	0.04%	0.05%	0.04%	0.02%	0.06%
12-Nov	0.05%	0.07%	0.01%	0.04%	0.05%	0.04%	0.02%	0.06%
19-Nov	0.05%	0.06%	0.01%	0.04%	0.06%	0.04%	0.02%	0.06%
26-Nov	0.06%	0.10%	0.01%	0.04%	0.06%	0.04%	0.02%	0.06%
03-Dec	0.06%	0.09%	0.01%	0.04%	0.06%	0.05%	0.02%	0.07%
10-Dec	0.06%	0.13%	0.02%	0.04%	0.07%	0.08%	0.02%	0.08%
17-Dec	0.05%	0.11%	0.02%	0.04%	0.07%	0.08%	0.02%	0.08%
24-Dec	0.08%	0.18%	0.01%	0.04%	0.07%	0.09%	0.02%	0.08%
31-Dec	0.03%	0.19%	0.01%	0.03%	0.07%	0.08%	0.02%	0.07%
07-Jan	0.10%	0.24%	0.01%	0.03%	0.09%	0.09%	0.02%	0.09%
14-Jan	0.13%	0.30%	0.01%	0.04%	0.10%	0.09%	0.02%	0.09%
21-Jan	0.17%	0.35%	0.01%	0.04%	0.10%	0.09%	0.02%	0.10%
28-Jan	0.19%	0.43%	0.01%	0.04%	0.10%	0.09%	0.02%	0.10%
04-Feb	0.23%	0.55%	0.01%	0.05%	0.12%	0.10%	0.02%	0.10%
11-Feb	0.37%	0.70%	0.01%	0.05%	0.12%	0.10%	0.02%	0.11%
18-Feb	0.35%	0.65%	0.01%	0.08%	0.12%	0.12%	0.02%	0.12%
25-Feb	0.33%	0.71%	0.01%	0.08%	0.14%	0.12%	0.02%	0.13%



Date: 2022	T- Bills 13 week	T- Bills 26 week	TexStar	Texpool	Texas Class	LOGIC	TEXAS TERM	LONE STAR COPF
04-Mar	0.33%	0.66%	0.02%	0.08%	0.18%	0.12%	0.02%	0.15%
11-Mar	0.39%	0.75%	0.02%	0.08%	0.23%	0.16%	0.04%	0.17%
18-Mar	0.41%	0.80%	0.16%	0.23%	0.33%	0.32%	0.16%	0.32%
25-Mar	0.53%	0.98%	0.23%	0.23%	0.39%	0.37%	0.25%	0.34%
31-Mar	0.51%	1.02%	0.25%	0.27%	0.49%	0.39%	0.25%	0.37%
07-Apr	0.68%	1.12%	0.31%	0.29%	0.45%	0.42%	0.28%	0.40%
14-Apr	0.78%	1.22%	0.33%	0.32%	0.47%	0.41%	0.29%	0.42%
21-Apr	0.82%	1.29%	0.34%	0.31%	0.51%	0.42%	0.31%	0.43%
28-Apr	0.81%	1.35%	0.35%	0.32%	0.51%	0.45%	0.33%	0.48%
05-May	0.84%	1.33%	0.55%	0.41%	0.59%	0.63%	0.54%	0.67%
12-May	0.95%	1.39%	0.64%	0.65%	0.85%	0.86%	0.73%	0.84%
19-May	1.04%	1.47%	0.73%	0.68%	0.88%	0.88%	0.74%	0.88%
26-May	1.06%	1.48%	0.78%	0.72%	0.91%	0.88%	0.76%	0.92%
02-Jun	1.13%	1.60%	0.82%	0.74%	0.95%	0.91%	0.78%	0.94%
09-Jun	1.26%	1.76%	0.83%	0.72%	0.99%	0.94%	0.80%	0.98%
16-Jun	1.54%	2.17%	1.10%	0.91%	1.03%	1.13%	0.97%	1.13%
23-Jun	1.59%	2.37%	1.16%	1.29%	1.40%	1.47%	1.23%	1.46%
30-Jun	1.66%	2.44%	1.17%	1.34%	1.48%	1.55%	1.26%	1.53%
07-Jul	1.89%	2.54%	1.31%	1.40%	1.54%	1.60%	1.36%	1.63%
14-Jul	2.33%	2.82%	1.33%	1.47%	1.61%	1.62%	1.43%	1.67%
21-Jul	2.40%	2.88%	1.46%	1.50%	1.67%	1.62%	1.49%	1.71%
28-Jul	2.35%	2.79%	1.83%	1.79%	1.79%	1.83%	1.77%	1.99%
04-Aug	2.41%	2.87%	1.87%	2.12%	2.22%	2.14%	2.06%	2.35%
11-Aug	2.52%	2.96%	1.88%	2.16%	2.26%	2.15%	2.10%	2.40%
18-Aug	2.61%	3.01%	1.99%	2.19%	2.32%	2.18%	2.12%	2.48%
25-Aug	2.78%	3.13%	2.01%	2.20%	2.35%	2.18%	2.15%	2.47%
31-Aug	2.87%	3.25%	2.09%	2.23%	2.38%	2.20%	2.19%	2.49%



## Pool Balances as of 8/31/2022

FUND:	199	240	599	600	TOTAL
Texpool	49,036		1,451		50,487
Lone Star	11,525,102		128,214	0	11,653,316
Logic	8,083,223	438	2,377,176	30,145,381	40,606,218
TexStar	5,519		103,317		108,837
Texas CLASS	61,050,476		7,658,656		68,709,132
TexasTerm	7,997,183				7,997,183
Balance:	88,710,540	438	10,268,814	30,145,381	129,125,173

## CD and Fixed Term Investment Inventory as of 8/31/2022

HELD AT	DESCRIPTION	PURCHASE DATE	MATURITY DATE	DAYS TO MATURITY 8/31/2022	WEIGHTED AVERAGE MATURITY	INTEREST RATE	INVESTMENT AMOUNT	ACCRUED INTEREST	EST VALUE at MATURITY
Texas Term	Planters Bank ( Formerly First Capital Bank), TN	10/12/21	10/12/22	42	0.08	0.30	248,000.00	660.43	248,744.00
Texas Term	Cfg Community Bank ,MD	06/02/22	06/02/23	275	0.51	2.25	244,000.00	1,368.74	249,490.00
Texas Term	First Mid-Illinois Bank & Trust, N.A., IL	07/11/22	07/11/23	314	0.57	3.15	242,000.00	1,086.02	249,623.00
Texas Term	Financial Federal Savings Bank, TN	08/17/22	08/17/23	351	0.64	3.30	242,000.00	328.19	249,986.00
<b>CD Total</b>							<b>976,000.00</b>	<b>3,443.38</b>	<b>997,843.00</b>
								<b>Est earnings</b>	
<b>Texas Term</b>	<b>Term -Texas TERM Dec 22</b>	10/13/2021	10/03/22			0.14	500,000.00	<b>619.45</b>	<b>500,680.82</b>
<b>Texas Term</b>	<b>Term -Texas TERM Dec 22</b>	11/4/2021	10/21/22			0.22	250,000.00	<b>452.06</b>	<b>250,527.40</b>
<b>Texas Term</b>	<b>Term -Texas TERM Dec 22</b>	11/12/2021	11/10/22			0.24	250,000.00	<b>481.64</b>	<b>250,596.71</b>
<b>Texas Term</b>	<b>Term -Texas TERM Dec 22</b>	12/14/2021	12/14/22			0.39	248,000.00	<b>691.61</b>	<b>248,967.20</b>
<b>Texas Term</b>	<b>Term -Texas TERM Dec 23</b>	1/13/2022	01/13/23			0.45	496,000.00	<b>1,406.46</b>	<b>498,225.88</b>
<b>Texas Term</b>	<b>Term -Texas TERM Dec 23</b>	2/18/2022	02/17/23			1.09	496,892.80	<b>2,834.20</b>	<b>502,234.74</b>
<b>Texas Term</b>	<b>Term -Texas TERM Dec 24</b>	4/12/2022	03/31/23			1.77	248,000.00	<b>1,695.71</b>	<b>252,233.26</b>
<b>TERM Fixed rate/fixed term TOTAL</b>							<b>2,488,892.80</b>	<b>8,181.13</b>	<b>2,503,466.01</b>